

- Shipments increase again in September, rising 0.9%
- Sales by BC wholesalers slip 1.5%; new vehicle sales down 1.1%
- Social assistance rate drops from 9.2% to 4.4% between 1993 and 2003

The Economy

- Shipments of goods manufactured in the province increased again in September, rising 0.9% (*seasonally adjusted*) following two months of similarly strong gains. The steady growth in total shipments occurred despite downturns in two of BC's three biggest manufacturing industries: wood (-0.8%) and food (-0.1%) products. The paper industry (which is ranked second) registered a 0.6% increase.

While softwood lumber prices remain well above 2003 levels, they have been moderating in recent months, and this has almost certainly contributed to slower growth in the value of wood shipments. Contracts for sales of lumber, metals and other commodities are frequently denominated in US dollars, and the recent appreciation of the Canadian dollar means that domestic producers who are paid in US funds are receiving less for their products.

Overall, shipments of durable products rose 1.0%, boosted by strong gains in mining-related industries such as primary (+8.2%) and fabricated (+6.3%) metals, and non-metallic mineral (+3.3%) products. On the non-durables side, shipments by the chemical industry increased 2.8% and beverage shipments were up 3.5%. Total shipments of non-durable goods advanced 0.7% between August and September.

Nationally, a nine-month-long upturn in the value of shipments came to an end in September, when shipments fell 0.6%. The downturn was widespread, with all but four provinces posting declines. Shipments fell in both Ontario (-0.3%) and Quebec (-1.7%), but BC (+0.9%) and Alberta (+0.8%) escaped the overall decline.

Data Source: Statistics Canada

- Sales by BC wholesalers slipped (-1.5%, *seasonally adjusted*) in September. Wholesalers of lumber, building supplies, vehicles and computer products sold less in September than in the previous month. Nationally, sales were down 1.9%, with wholesalers in most parts of the country registering declines. Saskatchewan (+3.7%), New Brunswick (+0.8%) and Quebec (+0.5%) were the only regions to see an increase.

Data Source: Statistics Canada & BC Stats

- The number of new vehicles driven off car lots in the province edged down (-1.1%, *seasonally adjusted*) in September. Dealerships across the country had a sluggish month in September, with sales falling 3.2% nationally. PEI (+6.0%) and Newfoundland & Labrador (+0.3%) were the only provinces where dealerships sold more vehicles than in September.

Data Source: Statistics Canada

Tourism

- The number of non-residents crossing the border into Canada via BC rose 5.0% (*seasonally adjusted*) in September, largely due to a strong upturn in entries from the US (+5.6%). Most of the visitors were on overnight trips to the province. Overnight travel from the US to BC increased 4.8%.

There were 2.2% more overseas travellers crossing the border into Canada in September. Both Asian (+5.2%) and European (+4.6%) entries were up significantly from the previous month, while the number of people coming from Australia, New Zealand & the South Pacific increased 1.4%. Entries from the UK, the main source of European visitors, were 5.5% higher than in August. There were more visitors from Taiwan (+7.8%) and South Korea (+6.7%), and the number of Japanese entries (+1.9%) rose for the first time since June. Japan

Did you know...

Nine percent of British Columbians don't follow the rules when reading: they skip chapters or read ahead "all of the time". That's nearly double the national average (5%).

accounts for about a third of all entries to BC from Asia.

Same-day travel from BC to the US increased 5.8% in September, marking the first time since April that there have been more same-day trips across the border. The Canadian dollar began to strengthen again in September, and this may have contributed to the upturn. Overall, the number of Canadians returning home via British Columbia was up 4.9% in September, with more people returning from the US as well as other international destinations.

Data Source: Statistics Canada & BC Stats

Third Quarter in Review

- **BC manufacturing shipments increased 3.2%** (*seasonally adjusted*) during the third quarter, as solid gains in the wood (7.8%) and food (+2.6%) manufacturing industries boosted overall growth. All four western provinces, as well as Ontario (+3.0%), saw relatively strong growth. Saskatchewan (+12.3%) led the West, with growth rates in the rest of the region ranging from 2.3% in Manitoba to 3.2% in both Alberta and BC. Shipments from Quebec (+0.2%) were virtually unchanged, but all four Atlantic provinces posted declines. Overall, Canadian shipments advanced 2.3% in the third quarter.

Data Source: Statistics Canada

- **Wholesale sales were up 3.8%** (*seasonally adjusted*) in the third quarter. Wholesalers of metal and lumber products fared particularly well, while sales of computers, office and other machinery continued to pick up. Nationally, wholesale sales increased 1.0% in the third quarter, substantially less than the 5.1% gain posted earlier in the year. Sales were down or flat in five provinces. Saskatchewan (+4.0%) and BC (+3.8%) saw the strongest sales growth.

Data Source: Statistics Canada & BC Stats

- **Car dealerships in the province had a slow third quarter, with sales slipping 0.6%** (*seasonally adjusted*). Canadian sales were down 2.5%, reflecting weakness in Ontario (-3.6%), Quebec (-4.0%) and parts of Atlantic Canada.

Data Source: Statistics Canada

- **Visitor entries from the US and overseas were flat in the third quarter, as downturns during**

the peak summer months of July and August offset gains made in September. Entries from the US increased (+0.7%), but there were fewer (-2.9%) entries from overseas sources. This was mainly due to weakness in Asian markets. Entries from Asian sources fell 11.9% during the third quarter, offsetting strong gains (+12.2%) made in the second quarter of the year. There were more travellers from Europe (+4.7%) and Oceania (Australia, New Zealand & the South Pacific, +1.9%), but the increase was not strong enough to offset the decline in the number of visitors from Asia. *Data Source: Statistics Canada & BC Stats*

Social Assistance

- **Between 1993 and 2003, the number of British Columbians receiving social assistance fell from 323,300 to 180,700, reducing the percentage of the population that was in receipt of these benefits by half: from 9.2% to 4.4%.** This mirrors a general decline in the number of social assistance beneficiaries across the country. Nationally, there were just under 3.0 million people, or 10.4% of the total population, receiving benefits in 1993. By 2003, the number had been pared down to 1.7 million (5.5% of the population). The drop in the number of people on social assistance was most pronounced in the West (-48%), with smaller declines seen in Central (-40%) and Eastern (-36%) Canada. It reflects both an improvement in economic conditions, as well as more stringent eligibility requirements for income assistance recipients.

BC now has the second lowest social assistance rate in the country. Alberta (where the rate fell from 7.4% to 1.8%) is the only province with proportionally fewer people in receipt of these benefits. Rates in PEI, Ontario and the other two Prairie provinces ranged from 5.1% to 5.5% in 2003 but had been as high as 12.1% in Ontario in the early 1990s. In fact, Ontario had the highest social assistance rate in the country in 1993, topping Newfoundland by 0.4 percentage points. Newfoundland's rate dropped from 11.7% to 9.9% between 1993 and 2003, and is currently the highest in the country.

Data Source: SC, Catalogue 11-010-X1B

*Infoline Issue: 04-46
November 19, 2004*

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Originally published in *Tourism Sector Monitor*, Issue 04-09. Annual Subscription \$60 +GST

Quarterly Review of the B.C. Tourism Sector

Room revenues pick up speed in second quarter

Room revenues in British Columbia remained robust (+2.7%, *seasonally adjusted*) in the second quarter of 2004, posting a fourth consecutive quarterly gain. The solid growth in the first (+1.2%) and second (+2.7%) quarters of this year, although slower than in the last quarter of 2003 (+5.0%), boosted room revenues to a record high of \$396 million¹.

Mainland/Southwest led second quarter growth

Revenues in Mainland/Southwest (Greater Vancouver and surrounding areas such as Whistler) rose substantially in the second quarter (+6.2%). The region was the main source of the overall growth in room revenues during that period.

Revenues declined in Vancouver Island/ Coast (-2.4%), Thompson Okanagan (-0.7%) and Kootenay (-3.1%). However, the gain in Mainland/Southwest was more than enough to offset losses in these regions.

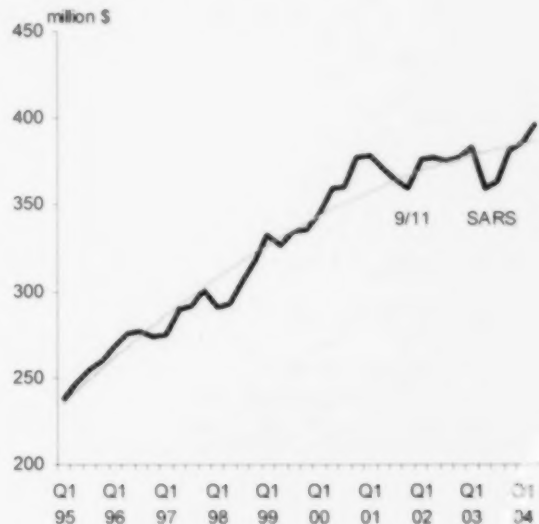
Cariboo (+0.1%), North Coast (+0.3%), Nechako (+9.6%) and Northeast (+2.0%) recorded revenue gains in the second quarter of 2004. These regions, the sparsely-populated central and northern areas of the province, together generated 8% of total accommodation revenues in British Columbia.

Room revenues show fast recovery from external shocks

In the last three years BC's tourism sector has been hit by a number of external shocks, including the 9/11 terrorist attacks, the SARS outbreak in March 2003, and the effects of the war in Iraq. These events, coupled with weaker

global economies and a stronger Canadian dollar, have had a significant effect on British Columbia's accommodation industry.

Room revenues, which were already in a decline before the 9/11 attacks, remained weak throughout 2001, but had bounced back to pre-9/11 levels by early 2002. Similarly revenues plunged (-6.3%) in the second quarter of 2003, when the SARS outbreak caused visitors, particularly those from Asia, to severely curtail their visits to BC and the rest of Canada. At the same time, the war in Iraq helped keep the lid on travel to BC from the US. The second-quarter decline in 2003 was the largest since 1995, the first year for which consistent room revenue figures are available.



Room revenues back on track

Source: BC Stats

¹ 1995 is the first year for which consistent room revenue figures are available.

However, over the long run, BC's accommodation industry has displayed an ability to absorb shocks. Following September 11th, it took only one quarter for room revenues to bounce back up. In the case of the SARS outbreak, room revenues recovered and passed the pre-SARS level in just three quarters. The forest fire situation in the Interior last summer slowed, but did not stop, the recovery.

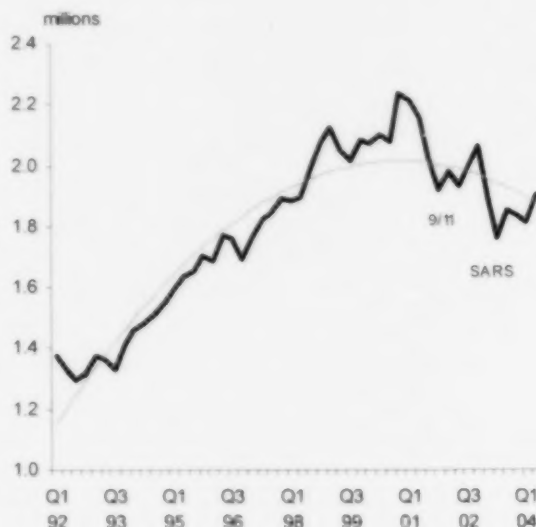
Accommodation properties provide services to residents of the province as well as those from further afield, so are not completely dependent on non-resident demand for their services. This may help explain the relatively quick recovery of room revenues in late 2001 and during the summer of last year.

Visitor entries rebound in the second quarter

The number of visitors entering Canada through BC rebounded in the second quarter (+5.1%, *seasonally adjusted*), after two consecutive quarterly declines. Travel from the US increased significantly (+3.1%), while the number of overseas visitors jumped 14.0%, the most notable increase in overseas entries since 1992. Contributing to the upturn were travellers from Oceania (Australia and the South Pacific, +16.7%) and Asia (+16.1%), followed by Europe (+5.6%).

However, the long-term trend in visitor entries is less rosy. Compared to room revenues, the volume of visitors entering BC, especially from the US, is more sensitive to external factors and takes longer to recover from shocks. Visitor entries shrank 11.1% in the two quarters after September 11th, and 14.6% in the second and third quarters of 2003. Entries remain well below previously recorded levels. The number of entries in the second quarter of 2004 was only 85% of the peak reached in the fourth quarter of 2000.

Visitor entries on the way up, but have not fully recovered

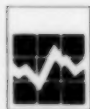


Other tourism indicators

Hotel occupancy rates averaged 62.2% (*seasonally adjusted*) in the second quarter of 2004, the highest rate reported in five years. Average room rates (\$115.83) were 1.9% higher than in the first quarter this year. The gains in both occupancy rates and room rates, together with room revenues, indicate a favourable quarter for BC's accommodation properties.

Vehicle traffic on BC Ferries was up slightly (+0.8%) relative to the first quarter of this year. The Coquihalla highway had 4.3% more passenger vehicles passing through its tollbooths in the second quarter of 2004.

Passenger traffic was higher than in the first quarter, both on BC Ferries (+1.8%) and at Vancouver International Airport (+4.1%), with the number of overseas passengers jumping 9.8%.



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Census Workshops - Nanaimo, Vancouver, Victoria

The Census of Population is the most comprehensive source of data on the demographic, social and economic characteristics of Canadians. This introductory workshop is designed to acquaint new users with the wealth of information from this resource. The instructor will guide the class through the types of data available, their geographic organization, and the wide range of publications, electronic products, and services based on the Census.

Census Overview

- Background to the Census
- Content of the 2001 Census
- How Census data can be used
- Products and Services

Census Variables

- Income, ethnic origin, language, religion, occupation, housing, etc.

Census Universes

- Population, families, households, dwellings

Census Geographies

- Census metropolitan areas, census agglomerations, census subdivisions, census tracts, blocks, etc.


Fees

Regular Fee \$200 plus GST

Early Bird \$175 plus GST

(Register 2 weeks before the workshop date)

Register early! Space is limited!

Join us for coffee at 8:15 am 

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November 30, 2004
8:30 am - 12:00 pm
Coast Bastion Inn
11 Bastion St.
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December 8, 2004
8:30 am - 12:00 pm
Library Square
300 W. Georgia St.
Vancouver ☐

VANCOUVER

February 23, 2005
8:30 am - 12:00 pm
Library Square
300 W. Georgia St.
Vancouver ☐

VICTORIA

March 18, 2005
8:30 am - 12:00 pm
Ambrosia Event Centre
638 Fisgard St.
Victoria ☐

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Statistics Canada's Survey Skills Workshops

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THREE LOCATIONS! - VICTORIA, PRINCE GEORGE, VANCOUVER

This workshop teaches the fundamentals of designing and implementing an effective satisfaction survey. The course material will assist researchers in producing respondent friendly questionnaires that result in useful and accurate survey data. The course will also help to provide an understanding of the importance of client and employee satisfaction in strategic decision making and business planning. The unique aspects of this type of survey enable you to determine your client's service expectations and their perceptions of your organization's performance.

Survey Planning

- Performance measures
- Client satisfaction vs. employee satisfaction
- Fundamentals of collecting data and maximizing response

Questionnaires

- Question structure; open and closed questions
- Rating scales
- Questionnaire design; wording, sequencing, and layout

Sampling Methods

- Probability vs. non-probability sampling
- Sample types and exit surveys
- The factors affecting sample size

Processing and Analysis

- The "drivers" of satisfaction
- Summarizing, graphing, and presenting survey findings

Register early!
Space is limited.

Regular Fee \$550 + GST
Early Bird \$500 + GST

Register 2 weeks before the workshop date

VICTORIA

December 1-2, 2004
8:30 am - 4:30 pm
Ambrosia Event Centre
638 Fisgard St.
Victoria ☐

PRINCE GEORGE

February 15-16, 2005
8:30 am - 4:30 pm
Ramada Inn
444 George St.
Prince George ☐

VANCOUVER

March 2-3, 2005
8:30 am - 4:30 pm
Room 201 Library Square
300 West Georgia St.
Vancouver ☐

Refreshments will be served throughout the day



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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)		
	Jul 1/04	% change on one year ago
BC	4,196.4	1.1
Canada	31,825.4	0.9
GDP and INCOME		
(BC - at market prices)	2003	% change on one year ago
Gross Domestic Product (GDP) (\$ millions)	145,550	5.2
GDP (\$ 1997 millions)	133,600	2.5
GDP (\$ 1997 per Capita)	32,175	1.6
Personal Disposable Income (\$ 1997 per Capita)	19,758	0.3
TRADE (\$ millions, seasonally adjusted)		
		% change on prev. month
Manufacturing Shipments - Sep	3,669	0.9
Merchandise Exports - Sep	2,791	-1.4
Retail Sales - Aug	3,959	-0.2
CONSUMER PRICE INDEX		
(all items - 1992=100)	Sep '04	12-month avg % change
BC	123.5	1.8
Canada	124.9	1.7
LABOUR FORCE (thousands)		
(seasonally adjusted)	Oct '04	% change on prev. month
Labour Force - BC	2,247	0.4
Employed - BC	2,092	0.6
Unemployed - BC	156	-1.4
		Sep '04
Unemployment Rate - BC (percent)	6.9	7.1
Unemployment Rate - Canada (percent)	7.1	7.1
INTEREST RATES (percent)		
	Nov 17/04	Nov 19/03
Prime Business Rate	4.25	4.50
Conventional Mortgages - 1 year	5.00	4.75
- 5 year	6.30	6.65
US/CANADA EXCHANGE RATE		
	Nov 17/04	Nov 19/03
(avg. noon spot rate) Cdn \$	1.1924	1.3035
US \$ (reciprocal of the closing rate)	0.8379	0.7663
AVERAGE WEEKLY WAGE RATE		
(industrial aggregate - dollars)	Oct '04	% change on one year ago
BC	704.14	3.1
Canada	685.08	2.5

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada
 Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics
 For latest Weekly Financial Statistics see www.bankofcanada.ca

Make your own data tables!

Population data for a number of administrative boundaries in B.C. can now be accessed through a new procedure on the BC Stats web site. Instead of providing static html, the user can now select region type, region, year, sex and five-year age group through an interactive selection process for just the data they need, when they need it. This will allow BC Stats to make available updated population data through the web site faster than ever before. The user has the option of viewing the requested information on screen in their browser and/or downloading the data in spreadsheet friendly comma delimited format files.

Historical data are available by age group and sex; projections are freely available only for population.

www.bcstats.gov.bc.ca/data/pop/pop/estspop.htm

Projected age-sex population data are available through our WebStore.

Life Expectancy at birth is also now available, using the same selection procedure, for a variety of different sub-provincial administrative boundaries.

www.bcstats.gov.bc.ca/data/pop/popstart.htm#vital

Released this week by BC STATS

- Exports, September 2004

Next week

- Consumer Price Index, October 2004
- Business Indicators, November 2004
- Current Statistics, November 2004
- Quarterly Regional Statistics, 3rd Quarter 2004

BC STATS, Ministry of Management Services, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1

Tel: (250) 387-0327 Fax: (250) 387-0329 Web: www.bcstats.gov.bc.ca E-mail: BC.Stats@gems8.gov.bc.ca

